

JEFFERSON SQUARE

1356 JEFFERSON RD NORTHFIELD MN 55057

ONE-YEAR NOTIFICATION LETTER – *OWNER DOES NOT INTENT TO RENEW*

June 29, 2009

Northfield MN 55057

Dear

The Department of Housing and Urban Development subsidizes the rent of your apartment through the project-based Section 8 program. Federal law required that owners provide tenants with a one-year notification before the expiration of a Section 8 contract. The Section 8 contract that pays the government's share of your apartment rent at Jefferson Square Townhomes expires on June 30, 2010. Although there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when the contract expires one (1) year from now.

This letter is to notify you that we do not intend to renew the current Section 8 contract when it expires.

Since we do not intend to renew this project-based contract upon its expiration, it is our understanding that, if Congress makes funds available (which it has in the past and is expected to in the future), the Department of Housing and Urban Development will provide all eligible tenants currently residing in a Section 8 project-based assisted unit with tenant-based assistance. Unlike the current project-based Section 8 contract, Section 8 vouchers are issued to the tenants and allow them to choose the place they wish to rent. The Section 8 voucher program is administered by local Public Housing Authorities. Federal law allows you to elect to continue living at this property provided that the unit, the rent, and we, the owners, meet the requirements of the Section 8 tenant-based assistance program. As an Owner, we will honor your right as a tenant to remain at the property on this basis as long as it continues to be offered as rental housing, provided that there is no cause for eviction under Federal, State or local law.

You will also have the opportunity to choose another development or single family house in which to move provided that the new landlord will accept the voucher and the owner and the unit meet Section 8 tenant-based program requirements.

Please remember that project-based Section 8 rental assistance will continue to be provided on your behalf for one year. In addition, we may agree to a renewal of the project-based contract with HUD, thus avoiding contract termination altogether.

Approximately four (4) months (120 days) before the expiration of the Section 8 contract, HUD requires that we confirm our final decision to not renew this contract. Following this confirmation, you will be contacted by the local Public Housing Authority (PHA) to determine your household's eligibility for tenant-based assistance. If you intend to apply for Section 8 tenant-based rental assistance, you should not move from your current unit until you have consulted with the local PHA about your eligibility for tenant-based assistance.

If you have any questions or would like information on the Section 8 Program, the following sources may be of assistance:

Contract Administrator (if applicable)

Name: Sue Noren, HAP Contract Team Leader

Telephone Number: _____

HUD Field Office

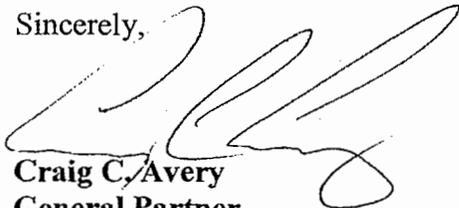
Name: Tom Nagel

Telephone Number: _____

HUD Web

<http://hud.gov> – click on “rental help.”

Sincerely,



Craig C. Avery
General Partner
Jefferson Square Partners, Owner

cc: Local HUD Office / MHFA

RESIDENT IMPACT STATEMENT

Jefferson Square Partners, the owner of Jefferson Square Townhomes, anticipates that on or after June 30, 2010, it will terminate participation in the following federally assisted housing programs for the following number of units which apply to the project:

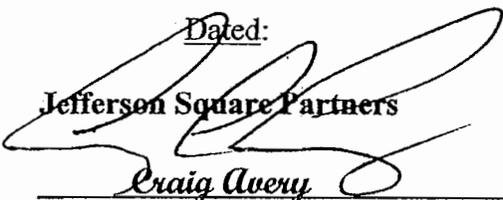
HUD Project-Based Section 8 (Program) 50 units

Minnesota law requires the owner to submit to the residents of the project, the City of Northfield, and the Minnesota Housing Finance Agency, and (if the property is located in the metropolitan area as defined in section 473.121, subdivision 2, the metropolitan council) a statement of the impact of such termination on the residents of the project. (At least 12 months before termination of participation – MN Statutes 471.9997). This document performs that purpose.

- 1) Fifty (50) units within the project will no longer be subject to rent restriction imposed by the federal program(s) which applies (apply) to the project effective as of the date of termination of the program which will be no earlier than twelve months after the date of this Impact Statement.
- 2) Owner estimates that the rents will be charged after termination will be:
 - (2) bedroom: \$ 750 as compared to current rents charged under the federal program of \$ 620-636 ;
 - (3) bedroom: \$ 900 as compared to current rents charged under the federal program of \$ 696 ; and
 - (4) bedroom: \$ 1,000 as compared to current rents charged under the federal program of \$ 714 .
- 3) Actions Owner will take to assist displaced tenants:

In the event that we do indeed terminate the Section 8 Housing Assistance Payments Contract, you will be notified four months prior to that time with details of tenant assistance that will be made available. Owner will refer displaced tenants to Community Action Center. Owner will provide a list of alternative low-income housing.

Dated:


Jefferson Square Partners

By Craig Avery
Its General Partner